

Notes on segmenting based on generational differences

Taken from a presentation by Kym Madden to the Fundraising Institute of Australia breakfast, Thursday 16 February 2006

Key points

- ? More than 1 in 3 people are over 50 (2005 figures). By the year 2040, more than 1 in 2 people will be over 50.
- ? The current median age in Australia (2005) is 36.6 years. 20 years ago it was 30.8 years.
- ? Baby boomers will be very different retirees than those in that age group now.
- ? People are influenced by the times in which they grew.

Generational characteristics

Matures - born before 1946

World War II and the depression. Success comes from hard work and perseverance. Conformity and respect for authority. Limited exposure to media. White Australia policy. Traditional family values.

Baby boomers - 1946 - 1964

TV. Vietnam war. Question conformity - the first generation of rule breakers. Common ethic of hard work. Success important but so too quality of life. Angst regarding who they want to be. Divorce and separation.

Generation X - 1965 - 1980

Born with technology. Benefited from access to education. Travel. Adaptable and changing environments. Experienced war on TV (CNN Gulf War). Cynical. Scandals (church, government, corporations). Open to innovation. Less angst about who they want to be. Flexible relationships - single, gay and defacto parenting.

Generation Y - 1981 - 1994

Scandals, globalization. War on terror. Nothing is reliable except technology. Mobile phones and websites. Fragmented families - notion of family is fluid. Virtual communities. High housing costs, high debt, low unemployment. Everything is fast and convenient.

Generational differences

Authority

Mature generation respects authority and rarely questions it. Baby boomers will challenge authority. Generation X distrust authority and Generation Y ask 'why?'

Charitable interests

Baby boomers support a cause they trust. They are less patient and desire quick results. They value diversity and equity when it comes to charities. Generation X have global interests. They're suspicious of government and interested in innovation and pragmatism. Less interested in mainstream organisations. Generation Y are looking for alternatives and will support organisations that are creative and expressive.

Money

Mature generation is thrifty. Very! Don't waste money even if they have a lot. Boomers value consumption and have an interest in luxury goods. Generation X are cynical of baby boomer consumption. Generation Y think 'why not spend if you have it'. Money + fun and experience and immediate consumption.

Work

Mature generation are loyal. Duty comes before pleasure. Limited adaptability. One career for a lifetime. Baby boomers work hard but have questioned loyalty as redundancies, downsizing and restructuring became the norm. Worked hard to climb the corporate ladder. Generation X are not surprised by lack of loyalty from companies. Have clear expectation from work but prepared to move on and explore other careers. Work to live don't live to work. Generation Y might work. Likely to 'fall into' several careers. Find it hard to plan ahead and very comfortable with change.

Technology

Mature generation wary of technology. Want people involved. Baby boomers have seen major changes to technology. Learning all the time. Generation X born with technology. Quick to adapt. Like innovation and convenience. Generation Y value immediacy. Live in and through technology. Expect 24/7 access to technology. Need convenience and speed.

View of others

Mature generation see baby boomers as being self absorbed, shameless and too indulgent. Baby boomers see mature generation as having a limited view of the world. Generation X see baby boomers as being inflexible and always telling them what to do. Generation Y see baby boomers as arrogant and not listening to them.

Space

Mature generation value the physical neighbourhood. Baby boomers are aware of safety and security. Aware of crime. Perception of a lot of physical crime. Anxiety for self and children. Generation X feel that virtual space can be safer than physical space. Grew up with TV, movies, computer games. Generation Y feel that the bedroom is a complete, safe and interesting environment.